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**Congress of the United States**  
**OFFICE OF TECHNOLOGY ASSESSMENT**  
WASHINGTON, DC 20510-8025

*Press Advisory*

*Tuesday, September 15, 1992*

**RESEARCH LINKS INSURANCE COVERAGE WITH HEALTH CARE RECEIVED**

Research over the last decade confirms the intuitive notion that having or lacking health insurance coverage is related to gaining access to health services, to the content and quality of health services used, and to the health status of the individual receiving the care, says the congressional Office of Technology Assessment (OTA).

This issue is important because at the same time that policymakers are becoming increasingly concerned about the numbers of Americans without health insurance, some observers question whether providing more health care by improving financial access necessarily leads to better care and improvements in individual health.

In a background paper released today, OTA reviews and evaluates the available literature on the relationship between insurance and health outcomes. The literature consists of a core set of 24 studies -- considered by some a meager database, given the importance of the questions.

In 1990 an estimated 34.4 million individuals, or 15.7 percent of the U.S. population under age 65, were uninsured either all or part of the year. In addition, a large but unknown number of Americans were "underinsured" -- without adequate health insurance coverage.

OTA's review suggests that uninsured Americans may be up to three times more likely than privately-insured individuals to experience a lower health care utilization rate, potentially inadequate health care, and adverse health outcomes.

Individuals covered by publicly-funded programs such as Medicaid may be slightly better off than uninsured individuals in the sense that they are more likely to use health care services, and are half as likely as uninsured individuals to experience potentially inadequate care. Uninsured Americans are 1.3 times more likely than publicly-insured individuals to use health care services at a lower rate, and 1.5 times more likely to experience potentially inadequate care.

Still, says OTA, evidence suggests that publicly-covered patients are worse off than privately-insured individuals. They are up to 2.5 times more likely than privately-insured patients to experience potentially inadequate health services, and more than four times more likely to experience an adverse health outcome.

Lack of insurance coverage may prevent individuals from seeking care, and thus they may be up to 4 times as likely as insured patients to require both avoidable and emergency hospitalizations, says OTA. Uninsured patients who have been hospitalized also have been found to be half as likely as insured patients to receive certain high-cost (but not necessarily more appropriate and effective) procedures.

OTA points out that, although the existing research does not allow drawing a straight, uncomplicated line from variations in insurance coverage to patient health outcomes, the preponderance of findings strongly implies that health insurance makes a difference. There are, however, some studies that have found no evidence of the impact of insurance coverage. Other studies found that relationships between insurance coverage, access and health vary when different illnesses or medical procedures are compared; when disparate age, sex, or racial groups are scrutinized; or when specific hospitals are compared. Researchers in this field typically acknowledge that it is too early to rule out alternative explanations for the findings, whether or not they find that insurance coverage makes a difference.

The literature review was requested by the Senate Committee on Labor and Human Resources, as part of a broader OTA study on health insurance requested by that committee and endorsed by the Ranking Minority Member of the House Committee on Ways and Means Subcommittee on Health, the House Committee on Energy and Commerce, and Senator Charles E. Grassley.

Copies of the 92-page background paper *Does Health Insurance Make a Difference?* for congressional use are available by calling 4-9241. Copies for noncongressional use can be ordered from the Superintendent of Documents, U.S. Government Printing Office (GPO), Washington, D.C. 20402-9325; phone (202) 783-3238. The GPO stock number is 052-003-01301-1; the price is \$5.00.

OTA is a nonpartisan analytical agency that serves the U.S. Congress. Its purpose is to aid Congress in dealing with the complex and often highly technical issues that increasingly confront our society.

## CONGRESSIONAL COMMENT

*Sen. Edward M. Kennedy (D-MA), Chairman, Committee on Labor and Human Resources and Member, OTA Congressional Board*

"OTA's study provides convincing evidence that comprehensive health reform is not just a question of financial protection -- it is a matter of life and death. Americans without health insurance receive fewer health services and lower quality care, and they suffer greater illness and death. Far too often, illnesses that could have been cured by timely, low-cost primary care lead to emergency room treatment, hospitalization, or even death.

"The double standard of health care in our society is unacceptable. OTA's timely study is an important new step on the road to making decent health care a right and a reality for all our citizens."

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